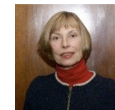


From: Sarah Shackelford <knote@fuse.net>
Subject: Fwd: Foreign Languages and the Post-Recession Economy
Date: June 15, 2011 3:52:08 PM EDT
To: OFLA listserv <OFLA@LISTSERV.KENT.EDU>



An advocacy posting from Tennessee Bob (originally posted on FLTEACH) , with some new links at the bottom. It might be very useful to save this to help defend our programs.

Begin forwarded message:

From: Bob Peckham <bobb@UTM.EDU>
Date: June 15, 2011 3:41:10 PM EDT
To: FLTEACH@LISTSERV.BUFFALO.EDU
Subject: Foreign Languages and the Post-Recession Economy
Reply-To: Foreign Language Teaching Forum <FLTEACH@LISTSERV.BUFFALO.EDU>

Foreign Languages and the Post-Recession Economy

Our post-recession economy is largely unable to produce jobs because of some flaws it shares with its pre-recession counterpart. It was anchored in a scenario where the American consumer dollar provided nearly 70% of our GDP. Clearly, this situation cannot be duplicated in our current economy. Why? Simply put, our consumerism was often based on an illusion of discretionary money materialized by over-maxing credit cards and then paying off the debt where possible from home equity loans. This faulty leveraging system fell apart because we believed that housing values would continue to increase, and our equity with them. From the point where the housing bubble burst in August 2007, housing prices have dropped 32% nationally, and home equity has sunk to nearly its lowest point since World War II.

A certain part small business funding was somewhat reliant on this myth of eternally growing home equity. Unfortunately, small business had been the pre-recession jobs engine of our economy, creating 64% of all jobs from 1994-2006. Cash-strapped small business is showing almost no signs of hiring. Tragically, 27 million Americans are now unemployed and underemployed. 37 million Americans are on food stamps and many wait until midnight of the last day of the month so their checks can clear to buy food. Indeed, the consumer is essential for the creation of jobs, just as jobs will bring more consumer dollars into the economy. Angry words among politicians can do nothing to pull us from this vicious circle. An increasingly smaller percent of the nation's wealth reverts to consumer dollars as that wealth is concentrated fewer hands. At present, 69% of our wealth is controlled by 5% of our population. Some consumer dollars are probably in a bank CD somewhere. The US savings rate, 3.5% in January of 2000, had risen to 5.4% in January of 2010. Some Americans not saving are paying off credit card debt, which has risen to a per-debtor average of over \$14,740. Even with improvements in credit and jobs prospects, our caution-to-the-wind consumerism may be replaced by some other cultural fetish.

Is the consumer dollar simply inaccessible? Does the fading glory of the American consumer spell decades of relative joblessness for this nation. Fortunately no. You see, ours are not the only consumers in the world. There are 116 countries with faster growing GDPs than ours. Though we are by far the wealthiest nation in the world, there are 5 to 8 ahead of us in GDP per capita. Let's face it; 95% of the world's potential consumers live outside of the United States, and only about 1% of our corporations export. Goods and services produced abroad by American companies using cheap foreign labor add nothing to the ability of American consumerism to create or support jobs. American consumers buying those same products does nothing, though they are adding to the prosperity of large international American corporations. Nor is a trade surplus necessary to create a large number of jobs here.

Successful exporting should include the very class of companies which hire most Americans: small businesses. These are also the least likely to set up shop and take jobs overseas. Though president Obama has formally recognized this reality in his "National Export Initiative", not much has been accomplished. A number of experts share the president's opinion: Wayne Wilbanks, chief investment officer at Wilbanks, Smith, & Thomas, Bruce J. Katz, Vice President at the Brookings Institution and founding Director of the Brookings Metropolitan Policy Program, Howard F. Rosen, of The Peterson Institute for International Economics. According to Manuel Mencia, senior vice president/chief operating officer for Enterprise Florida and president of SIDO U.S. companies that export grow 50 % faster than those that don't, pay 18 % higher wages and are more profitable. Perhaps exporting American home ownership could even improve our ailing real estate market. Last year, foreign buyers paid over \$40 billion for existing homes in the United States.

Are foreign languages needed in exporting? Often English is adequate to frame a first deal for parties interested in each other, but for working out the wrinkles and for making a repeat business with your trading partner, you must do what you always do for success: know your customer. How can that possibly happen without real linguistic and cultural skills? The same can be said of the exporter's often overlooked obligation to print service, sales and warranty messages in foreign languages, though highly technical translation is often too much for in-house speakers of the client's language. The expert observation that "... businesses that are proactive in their use of foreign languages achieve, on average, 45% more export sales." is not uncommon. Cultural nuances, the real needs of a client, that urgent email that doesn't come in English; all are missed without someone in-house who speaks the language. Here are several of the many statements supporting the obvious usefulness of foreign language and culture competency in international business:

Languages needed to boost exports
<http://osiriseducational.co.uk/osirisblog/languages-needed-to-boost-exports>

Job Description of an Export Forwarder
http://www.ehow.com/about_6717673_job-description-export-forwarder.html

Global Personnel Skills: A Dilemma for the Karpin Committee and Others

<http://apj.sagepub.com/content/35/3/80.abstract>

Foreign language use among decision-makers of successfully internationalised SMEs

http://web.anglia.ac.uk/aibs/geru/CIB_publications/CIB_Paper2.pdf

Language Learning and International Business

http://mazinger.sisib.uchile.cl/repositorio/pa/ciencias_economicas_y_administrativas/d200210301128languagelearningandinternationalbusiness.pdf

One final proof. Go to a large jobs database like "Indeed.com" and keyword the languages taught in area high schools and colleges. Even in these bleak times, you will find tens of thousands of positions available, certainly enough to turn the major stock indices up for the day. I do wonder, however, how many of these positions are satisfactorily filled. In a world where over 66 % of the population is at least bilingual, monolingual Americans have less than adequate skills for successful international business.

Robert D. Peckham, Ph.D.

Professor of French

University of Tennessee at Martin

Chair, AATF Commission on Advocacy

Director, Globe-gate Intercultural Web Project

For all FLTEACH information see: <http://web.cortland.edu/flteach/>